

**AidennLair Capital Management LP**

900 Third Avenue, Suite 201-2

New York, New York 10022

United States of America

Tel: 212-218-2890

Website: N/A

**February 19, 2016**

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**Item 1. Cover Page**

This ADV Part 2A Brochure (the “Brochure”) provides information about the qualifications and business practices of AidennLair Capital Management LP (the “Adviser”), an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”). If you have any questions about the contents of this Brochure, or would like a copy of it without charge, please contact us at 212-218-2890 and/or via email at [kelly.ireland@aidennlair.com](mailto:kelly.ireland@aidennlair.com). This information has not been approved or verified by the SEC or by any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training. This Brochure does not constitute an offer to sell or the solicitation of any offer to purchase any securities of any entities described herein.

Additional information about the Adviser is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**Item 2. Material Changes**

As this is the initial Brochure that the Adviser is filing, there are no updates from prior versions.

In the future, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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**Item 4. Advisory Business*****A. General Description of Advisory Firm.***

The Adviser is an investment adviser with its principal place of business in New York, New York. The Adviser is registering with the SEC as a newly formed adviser relying on SEC Rule 203A-2(c) and expects to be eligible for SEC registration within 120 days from the date of registration. The General Partner of the Adviser is AidennLair Capital Management (GP) LLC (the “General Partner”) and Mr. Benjamin is the managing member of the General Partner (the “Managing Member”).

***B. Description of Advisory Services.***

The Adviser’s investment advice is focused on investing in securities and other financial instruments where an event or catalyst seems likely to set off a progression of actions that can lead to value creation. As of the date hereof, the Adviser anticipates providing investment advice to the following master-feeder group of funds on a discretionary basis:

*AidennLair Onshore LP* – US feeder fund (the “Onshore Feeder Fund”)

*AidennLair Offshore Ltd* – Offshore feeder fund (the “Offshore Feeder Fund”)

*AidennLair Master Fund LP* – Offshore master fund (the “Master Fund”)

The Adviser also may from time-to-time provide investment advisory services to separately managed accounts, herein referred to as a “Separately Managed Account”.

The Onshore Feeder Fund, the Offshore Feeder Fund the Master Fund are herein collectively referred to as the “Funds”. The Funds and the Separately Managed Accounts are sometimes herein referred to as “Clients”. Investors in the Funds and the Separately Managed Accounts are referred to herein as “Investors”.

The General Partner will establish a review board of the Master Fund to approve certain decisions that would otherwise be within the powers of the General Partner (the “Review Board”). The Review Board will at all times have a disinterested majority membership.

The Adviser will additionally establish a Business and Compliance Committee (the “BACC”), an oversight committee for Client accounts.

***C. Availability of Tailored Services for Individual Clients.***

Client accounts are managed in accordance with each such Client’s offering memorandum or other constituent documents. The Adviser does not otherwise tailor its advisory services to the individual needs of Investors in the Funds and does not accept Investor-imposed investment restrictions from such Investors.

For each individual Separately Managed Account, the Adviser provides investment advisory services based on specific investment objectives and strategies. The Adviser tailors its advisory services to the

individual needs and specified investment objectives and strategies of each such Client, as set forth in the constituent documents for each individual Separately Managed Account.

***D. Wrap Fee Programs*** – The Adviser does not participate in wrap fee programs.

***E. Client Assets under Management.***

As of the date hereof, the Adviser has \$0 of regulatory assets under management either on a discretionary or non-discretionary basis.

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## **Item 5. Fees and Compensation**

### **A. Advisory Fees and Compensation.**

#### Asset-Based Compensation

*For the Funds:* The Adviser charges each Investor in the Funds an investment management fee of up to 1.75% per annum based on the value of each Client's assets under management. Lower management fees are charged to Investors in the Founders' series of interests.

Investment management fees are generally charged quarterly in advance, based on the total market value of the assets in the Investor account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the last day of the preceding quarter. If a new Investor account is established during a month or an Investor makes an additional investment in its account during a month, the investment management fee will be charged as of the effective date of the investment based on the value of the assets as of the applicable date, and will be prorated for the number of days remaining in the month.

The investment management fees for the Funds are generally not negotiable; however, the General Partner of a Fund or Adviser, as the case may be, in its sole discretion, may waive, modify or reduce the fees for certain Fund Investors who are principals, employees or affiliates of the Adviser, relatives of such persons and for certain large or strategic investors.

*For a Separately Managed Account:* Investors in a Separately Managed Account pay investment management fees pursuant to the individually negotiated constituent documents of each such account.

#### Performance-Based Compensation

*For the Funds:* The Adviser (or its related person) will also be paid or allocated, as applicable, a performance-based fee or allocation, which is compensation that is based on a share of capital gains on or capital appreciation of the assets of an Investor. This compensation may be paid or allocated, as applicable, to the Adviser (or its related person) and may equal up to 20% of net profits, subject to a loss carryforward. Lower performance based fees are charged to Investors in the Founders' series of interests.

The performance-based compensation paid or allocated to the Adviser is generally not negotiable; however, the General Partner of a Fund or the Adviser, as the case may be, in its sole discretion, may waive, modify or reduce such compensation for certain Fund Investors who are principals, employees or affiliates of the Adviser, relatives of such persons and for certain large or strategic investors.

*For a Separately Managed Account:* Investors in a Separately Managed Account pay performance-based compensation pursuant to the individually negotiated constituent documents of each such account.

### **B. Payment of Fees.**

*For the Funds:* The Adviser deducts the investment management fee from Investor accounts quarterly.

Performance-based compensation is deducted from Investor accounts at the end of each fiscal year or upon withdrawal or redemption by an Investor and paid to or reallocated to, as applicable, the General Partner of a Fund or the Adviser (or its related person), as the case may be.

*For a Separately Managed Account:* Both the investment management fee and performance-based compensation are payable according to the terms of the individually negotiated constituent documents of each such Separately Managed Account.

### **C. Other Fees and Expenses.**

*For the Funds:* The Adviser will render its services to the Funds at its own expense and will be responsible for its overhead expenses including: office rent; furniture and fixtures; stationery; secretarial/internal administrative services; salaries and bonuses; entertainment expenses; employee insurance and payroll taxes.

All other expenses are paid by the Onshore Feeder Fund or the Offshore Feeder Fund (or by the Master Fund and allocated to them) and shall include, but are not limited to: the management fee; legal, compliance, administrator, audit and accounting expenses (including third party accounting services); organizational expenses; investment expenses such as commissions, research fees and expenses (including Bloomberg and similar subscriptions and data services and research related travel); interest on margin accounts and other indebtedness; borrowing charges on securities sold short; custodial fees; bank service fees; Fund-related insurance costs (including D&O and E&O insurance for the Adviser and the General Partner and outside directorship and Review Board liability); independent Review Board members' fees and expenses; expenses of regulatory compliance (including compliance with AIFMD), filings and reporting (including but not limited to Section 13, Section 16 and Form PF filings); and expenses and any other expenses related to the purchase, sale or transmittal of Funds. The Onshore Feeder Fund and the Offshore Feeder Fund will also bear their pro rata share of the Master Fund's expenses.

The organizational expenses of the Funds (including expenses of the initial offer and sale of interests) will be paid by the Funds and, in the sole discretion of the General Partner and for net asset value purposes, may be amortized over a period of up to 60 months from the date the Fund commenced operations, although, if the Fund deems appropriate, such amounts may be accelerated.

In addition, the Funds may be invested in money market mutual funds, ETFs or other registered investment companies, which may charge their own fees. In these cases, the Fund will bear its pro rata share of the investment management fee and other fees of such funds, which are in addition to the investment management fee paid to the Adviser. As noted, Clients will incur brokerage and other transaction costs. Please refer to Item 12 of this Firm Brochure for a discussion of the Adviser's brokerage practices.

*For a Separately Managed Account:* The other fees and expenses that are payable by a Separately Managed Account are chargeable according to the terms of the individually negotiated constituent documents of each such account. In general, however, Separately Managed Accounts will incur brokerage and other transaction costs, in addition to other costs and expenses. Please refer to Item 12 of this Firm Brochure for a discussion of the Adviser's brokerage practices.

*For both the Funds and Separately Managed Accounts:* Expenses borne by Clients will differ. In certain instances, the Client may bear its pro rata portion of expenses that the Adviser has agreed to bear for one or more other Clients. In other instances, the other Clients may bear their pro rata portion of expenses that the Adviser has agreed to bear for a particular Client.

Common expenses frequently will be incurred on behalf of multiple Clients. The Adviser seeks to allocate those common expenses among Clients in a manner that is fair and reasonable over time.

However, expense allocation decisions may involve potential conflicts of interest (e.g., an incentive to favor accounts that pay higher incentive fees, or conflicts relating to different expense arrangements with certain Clients). The Adviser may use various methods to allocate particular expenses among Clients depending on the circumstances (e.g., pro rata based on assets under management, relative participation in the transaction related to the expense, general amount of trading activity etc.). The determination as to the method or methods used may be based on relative use of the product or service, the nature or source of the product or service, the relative benefits derived by the Clients from the product or service, or other relevant factors. Nonetheless, Investors should note that the portion of a common expense that the Adviser allocates to a Client for a particular product or service, may not reflect the relative benefit derived by such Client from that product or service in any particular instance. The Adviser's expense allocations often depend on inherently subjective determinations and, accordingly, expense allocations made by the Adviser in good faith will be final and binding on Clients.

Trade errors and similar human errors involving transactions in Client accounts or any derivatives contracts or other similar agreements may occur. The Adviser generally will seek to detect such errors prior to settlement and promptly correct and/or mitigate them. To the extent an error is caused by a counterparty, such as a broker-dealer, the Adviser will seek to recover any losses associated with such error from the counterparty. Each Client will bear the cost of any trading losses, liabilities, damages, expenses or any other costs resulting directly from a trade error (collectively, the "Error Costs"), except for the following two limited exceptions: (i) Error Costs that directly result from fraud, gross negligence, willful misconduct or the violation of applicable law by the Adviser or any of its employees or affiliates, or (ii) Error Costs that may not be waived or limited by the Adviser under applicable law. Further, if any benefit results to a Client from a trade error, each such Client will receive the benefit of that trade error. Clients will not bear the cost, or receive the benefit of, any error associated with any other Client account, and it is the responsibility of the Adviser to allocate such costs/benefits accurately.

The BACC reviews all trade errors and expense allocations at its periodic meetings.

#### ***D. Prepayment of Fees.***

*For the Funds:* As noted in Item 5(B) above, the investment management fee is paid quarterly in advance.

*For a Separately Managed Account:* Prepayment and refund terms are individually negotiated and are contained in the terms of the individually negotiated constituent documents.

#### ***E. Additional Compensation and Conflicts of Interest***

No supervised person of the Adviser accepts compensation for the sale of securities or other investment products.



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**Item 6. Performance-Based Fees and Side-by-Side Management**

The Adviser charges the Funds and Separately Managed Accounts performance-based fees (sometimes called an “incentive fee” or “incentive allocation”). Not all Clients are charged these fees at the same rate. In addition, some of the investment personnel working at the Adviser receive compensation that includes a performance-based component. Lower performance-based fees are charged to Investor in the Founders’ series of interests.

Given the differing fee structures amongst Clients, as well as the fact that some personnel receive compensation that includes a performance-based component, the potential exists for the Adviser to favor one Client account over another Client account. For example, the incentive allocation may create an incentive for the Adviser to direct the best investment ideas to, or to allocate or sequence trades in favor of, (i) Client accounts with performance compensation arrangements over accounts that are not charged, or from which the Adviser (or its affiliate) will not receive (e.g., because the account is below its high water mark), performance compensation, and (ii) Client accounts from which the Adviser (or its affiliate) will receive a greater performance compensation over accounts from which it will receive lesser performance compensation.

The Adviser has adopted and implemented policies and procedures intended to address potential conflicts of interest relating to the management of multiple accounts and the allocation of investment opportunities to ensure that all Clients are treated fairly. At the quarterly BACC meetings, accounts are reviewed for any evidence of favoritism to higher fee paying accounts. See Item 12 for further discussion of the Adviser’s allocation policy.

The incentive allocation, once made, is not subject to claw-back in the event of subsequent losses. Thus an Investor may be subject to an incentive allocation even where it did not receive a profit during the entire term of its investment.

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**Item 7. Types of Clients**

The Adviser provides investment advisory services only to private funds (i.e., hedge funds) and separately managed accounts (whose beneficial owners may be, for example, individuals, partnerships, pension plans, trusts or investment companies).

The minimum initial investment in the Funds is \$1,000,000, subject to waiver, reduction, or increase by the General Partner of a Fund, or the Board of the Directors of a Fund (as the case may be), but in no event will the minimum be less than \$100,000 in the Offshore Fund. Potential Investors must meet the requirements set forth in the Funds' subscription documents in order to invest in the Funds. There are no minimum account size requirements in the Funds, however, Investors may only withdraw a maximum portion of up to 25% of its total account on any one withdrawal date. In the case of a complete withdrawal of an Investor's account, one-quarter (25%) of the value of such Investor's account will be paid as of the first withdrawal date, one-third (33 1/3%) of the remaining balance will be paid as of the next withdrawal date, one-half (50%) of the remaining balance will be paid as of the next withdrawal date, and the entire remaining balance (100%) will be paid as of the next withdrawal date, subject to a holdback of an amount equal to up to 5% of all withdrawals over the preceding 12 months from such final payment.

A Separately Managed Account has an individually negotiated minimum investment requirement.

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**Item 8. Methods of Analysis, Investment Strategies and Risk of Loss*****A. Methods of Analysis and Investment Strategies***

Please consult the Offering Memorandum for each Fund for a complete description of the methods of analysis and investment strategies utilized by the Adviser. Set forth below are summaries of the methods and strategies utilized for the Funds. Separately Managed Accounts may have the same or different methods and strategies pursuant to the terms of their individual investment management agreements.

Investing in the Funds is highly speculative and involves risk of loss that Investors should be prepared to bear. Only sophisticated persons who are able to bear the economic risk of the loss of all or a portion of their investment should invest. There is no guarantee that investment objectives will be achieved. The performance of prior investments is not indicative of any expected future results.

The investment objective of the Funds is to maximize risk-adjusted returns by investing in and trading in securities and other financial instruments consisting primarily of stocks, bonds, loans, futures, options, derivatives, swaps, convertible securities, and related instruments. The Adviser will seek to achieve the Funds' investment objective by applying rigorous fundamental research and analysis to value-with-a-catalyst, event-driven, and other special situations opportunities. The Adviser intends to focus on securities where an event or catalyst seems likely to set off a progression of actions that can lead to value creation.

For long investments, the Adviser will seek opportunities where valuation is conservative on an absolute or relative basis and one or more catalysts exist with the potential to realize that value. Among other opportunities, the Adviser intends to invest in the securities of companies that may or are spinning-off assets, separating from another company, selling assets, acquiring assets, exiting businesses, entering new businesses, engaging in a merger, restructuring, emerging from bankruptcy, changing management or board members, altering compensation schemes, subject to significant litigation, subject to regulatory changes, transitioning their business model, the subject of large shareholder turnover, impacted by large security price dislocations, the subject of shareholder activism, engaging in other corporate reorganizations, or could be sold.

For short investments, the Adviser will seek opportunities where valuation is aggressive on an absolute or relative basis and a catalyst exists. Among other opportunities, the Adviser intends to short the securities of companies that are secularly challenged, are facing transitioning business or industry fundamentals, are over-valued, are value traps, or have fraudulent or aggressive accounting. The Adviser may also maintain a number of hedge positions including hedges for the equity market, the credit market, industry exposures, geographic exposures, currency risks, interest rates, and other potential exposures.

The Funds may buy securities on margin and arrange with banks, brokers, and others to borrow money against a pledge of securities in order to employ leverage when the Adviser deems such action to be appropriate. In addition to the value-with-a-catalyst, event-driven, and special situations described above, the Funds may also invest in securities which the Adviser believes are trading at a significant discount to intrinsic value.

The Adviser intends to pursue the investment objective described above and will generally follow the outlined investment strategies for so long as such strategies are in accord with the Funds' investment approaches, but the Adviser may also formulate new approaches to carry out the overall objective of the Funds (i.e., the maximization of risk-adjusted returns).

In order to maintain flexibility and to capitalize on investment opportunities as they arise, the Funds are not required to invest any particular percentage of its portfolio in any type of investment, security, sector, or region. The amount of the Funds' portfolio which is invested in any type of investment, whether long or short, or which is weighted towards U.S. or non-U.S. investments or different sectors can change at any time based on the Adviser's assessment of market opportunities. Accordingly, investments may at any time include long or short positions in all forms of U.S. or foreign publicly traded or privately issued or negotiated securities, common stocks, preferred stocks, stock warrants and rights, corporate debt, bonds, bank debt, notes or other debentures or debt participations, convertible securities, fixed-income securities, credit related securities, swaps, options (purchased or written), futures contracts, forward contracts, commodities, currencies, credit default swaps (CDS) (purchased or written), other derivative instruments, repurchase agreements, partnership interests, and other securities or products or financial instruments including those of investment companies. Further, if there is an insufficient number of available securities meeting the Adviser's purchase criteria, the Funds may invest in government or municipal obligations and money market instruments.

As noted above, a Separately Managed Account may employ methods of analysis and investment strategies that differ from those set forth above, as specified in the Separately Managed Account's constituent documents.

***B. Material Risks of the Adviser's Investment Strategies, Methods of Analysis and Types of Securities.***

Material risks associated with the Funds' investment strategies are summarized below. Please consult the offering memorandum for each Fund for additional information on these and other risks. Separately Managed Accounts are generally subject to these same risk factors, but may additionally be subject to other risks to the extent their investment strategy differs from the Funds.

*Nature of Investments.* The Adviser has broad discretion in making investments for the Funds. Investments will generally consist of equities, equity-related securities, derivatives, debt securities and other assets that may be affected by business, financial market or legal uncertainties. There can be no assurance that the Adviser will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, especially investments in small and mid-capitalization issuers (which may rely on limited product lines, financial resources and business activities susceptible to setbacks or downturns) and a variety of factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the Funds' activities and the value of its investments. In addition, the value of the Funds' portfolio may fluctuate as the general level of interest rates fluctuates. No guarantee or representation is made that the Funds' investment objective will be achieved.

*Equity-Related Instruments in General.* The Adviser may use equity-related instruments in its investment program. Certain options and other equity-related instruments may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risks of loss.

*Small to Medium Capitalized Companies.* The Funds may invest a portion of its assets in the stocks of companies with small to medium-sized market capitalizations. While the Adviser believes these investments often provide significant potential for appreciation, those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than do investments in stocks of larger companies. For example, prices of such stocks are often more volatile than prices of large-capitalization stocks. In addition, due to thin trading in some such stocks, an investment in these stocks may be more illiquid than investments in larger capitalization stocks.

*Options.* The purchase or sale of an option involves the payment or receipt of a premium by the investor and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security, commodity or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument will not change price in the manner expected, so that the investor loses its premium. Additionally, the premium paid for an option is based, in part, on the time to expiration, and with the passage of time, the premium associated with an option declines, assuming all other factors being equal. Selling options involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security rather than only the premium payment received (which could result in a potentially unlimited loss). Over-the-counter options also involve counterparty solvency risk.

*Debt Securities.* The Funds may take positions in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. The Funds may take positions in debt securities which are not protected by financial covenants or limitations on additional indebtedness. The Funds may invest in securities which are moral obligations of issuers or subject to appropriations. The Funds will therefore be subject to credit and liquidity risks.

*Corporate Debt Obligations.* The Funds may invest in corporate debt obligations, including commercial paper. Corporate debt obligations are subject to the risk of an issuer's inability to meet principal and interest payments on the obligations (credit risk). The Adviser may intend to actively expose the Funds to credit risk. However, there can be no guarantee that the Adviser will be successful in making the right selections and thus fully mitigate the impact of credit risk changes on the Funds.

*Credit Derivatives.* Credit derivatives are contracts that transfer price, spread and/or default risks of debt and other instruments from one party to another. Such instruments may include one or more debtors. Payments under credit derivatives may be made during the exercise period of the contracts. Payments under many credit derivatives are triggered by credit events such as bankruptcy, default, restructuring, failure to pay, cross default or acceleration, etc. Such payments may be for notional amounts, actual losses or amounts determined by formula. The market for credit derivatives is somewhat illiquid and there are considerable risks that it may be difficult to either buy or sell the contracts as needed or at reasonable prices. Sellers of credit derivatives carry the inherent price, spread and default risks of the debt instruments covered by the derivative instruments. Buyers of credit derivatives carry the risk of non-performance by the seller due to inability to pay. There are also risks with respect to credit derivatives in determining whether an event will trigger payment under the derivative and whether such payment will offset the loss or payment due under another instrument. In the past, buyers and sellers of credit derivatives have found that a trigger event in one contract may not match the trigger event in another contract, exposing the buyer or the seller to further risk.

*Credit Default Swap Agreements.* The "buyer" in a credit default contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay or obligation acceleration. If a credit event occurs, the seller typically must pay the contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be a cash settlement or by physical delivery of the reference obligation in return for payment of the face amount of the obligation. The Funds may be either the buyer or seller in the transaction. If the Funds are a buyer and no credit event occurs, the Funds may lose their investment and recover nothing. However, if a credit event occurs, the buyer typically receives full notional value for a reference obligation that may have little or no value. As a seller, the Funds receive a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the seller may pay the buyer the full notional value of the reference obligations. Credit default swaps involve greater risks than if the Funds had invested in the reference obligation directly. In addition to general market risks, credit default swaps are subject to liquidity risk and credit risk. If a credit event were to occur, the value of the reference

obligation received by the seller, coupled with the periodic payments previously received, may be less than the full notional value it pays to the buyer, resulting in a loss of value to the Funds.

*Convertible Securities.* The Funds may invest in convertible securities, securities that may be exchanged or converted into a predetermined number of the issuer's underlying shares or the shares of another company or that are indexed to an unmanaged market index at the option of the holder during a specified time period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, stock purchase warrants, zero-coupon bonds or liquid-yield option notes, stock index notes, mandatories, or a combination of the features of these securities. Prior to conversion, convertible securities have the same general characteristics as non-convertible debt securities. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and conversely, increase as interest rates decline. Convertible securities, however, also appreciate when the underlying common stock appreciates, and conversely, depreciate when the underlying common stock depreciates.

*Special Situations.* The Funds may invest in companies involved in (or the target of) acquisition attempts or tender offers or in companies involved in or undergoing work-outs, liquidations, spin-offs, reorganizations, bankruptcies or other catalytic changes or similar transactions. In any investment opportunity involving any such type of special situation, there exists the risk that the contemplated transaction either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price of the security or other financial instrument in respect of which such distribution is received. Similarly, if an anticipated transaction does not in fact occur, the Funds may be required to sell its investment at a loss. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies in which the Funds may invest, there is a potential risk of loss by the Funds of the entire investment in such companies. In connection with such transactions (or otherwise), the Funds may purchase securities on a when-issued basis, which means that delivery and payment take place sometime after the date of the commitment to purchase and is often conditioned upon the occurrence of a subsequent event, such as approval and consummation of a merger, reorganization or debt restructuring. The purchase price or interest rate receivable with respect to a when-issued security can be fixed when the Funds enter into the commitment. Such securities are subject to changes in market value prior to their delivery.

*Distressed Securities.* The Funds may invest in "distressed" securities, private claims and obligations of domestic and foreign entities which are experiencing significant financial or business difficulties. Investments may include loans, commercial paper, loan participations, trade claims held by trade or other creditors, stocks, partnership interests and similar financial instruments, executory contracts and options or participations therein not publicly traded. Distressed securities may result in significant returns to the Funds, but also involve a substantial degree of risk. The Funds may lose a substantial portion or all of its investment in a distressed environment or may be required to accept cash or securities with a value less than the Funds' investment. Among the risks inherent in investments in entities experiencing significant financial or business difficulties is the fact that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by state and federal laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. The market prices of such instruments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such instruments may be greater than normally expected. In trading distressed securities, litigation is sometimes required. Such litigation can be time-consuming and expensive, and can frequently lead to unpredicted delays or losses. Moreover, to the extent that the Funds invest in distressed sovereign debt obligations, it will be subject to additional risks and considerations not present in private distressed securities, including the uncertainties involved in enforcing and collecting debt obligations against sovereign nations, which may be affected by world events, changes in U.S. foreign policy and other factors outside of the control of the Adviser. The market for distressed securities and instruments is generally thinner and less active than other markets, which can adversely affect the prices at which distressed securities can be sold.

*High Yield Securities.* The Funds may invest in "high yield" bonds and preferred securities which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominately speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities may tend to fluctuate more than those for higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower-rated securities, whether or not based on fundamental analysis, may be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

*Investments in Companies Not Current with their Financial Reporting.* The Funds may make investments in companies that are not current in their financial reporting. Risks associated with these types of investments include making investment decisions based on dated or incomplete financial information that may not provide the Adviser with a complete or accurate picture of the current state of affairs of such a company. This lack of current or accurate information may negatively impact returns.

*U.S. Government Securities.* The Funds may invest in U.S. Government securities. Generally, these securities include U.S. Treasury obligations and obligations issued or guaranteed by U.S. Government agencies, instrumentalities or sponsored enterprises. U.S. Government securities also include Treasury receipts and other stripped U.S. Government securities, where the interest and principal components of stripped U.S. Government securities are traded independently. These securities are subject to market and interest rate risk. The Funds may also invest in zero coupon U.S. Treasury securities and in zero coupon securities issued by financial institutions, which represent a proportionate interest in underlying U.S. Treasury securities. A zero coupon security pays no interest to its holder during its life, and its value consists of the difference between its face value at maturity and its cost. The market prices of zero coupon securities generally are more volatile than the market prices of securities that pay interest periodically.

*Derivatives.* To the extent that the Funds invest in swaps, derivative or synthetic instruments, or enters into repurchase agreements or other over-the-counter transactions, the Funds may take a credit risk with regard to parties with whom they trade and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions that generally are backed by clearing organization guarantees, more frequent mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. It is expected that all securities and other assets deposited with custodians or brokers will be clearly identified as being assets (directly or indirectly) of the Funds, and hence the Funds should not be exposed to a credit risk with regard to such parties. However, it may not always be possible to achieve this segregation, and there may be practical or time problems associated with enforcing rights to its assets in the case of an insolvency of any such party.

*Use of Leverage.* Use of leverage results in the Funds controlling substantially more assets than the Funds have in equity. Leverage increases returns if the Funds earn a greater return on investments purchased with borrowed funds than the cost of borrowing such funds. However, the use of leverage exposes the Funds to additional levels of risk, including (i) greater losses from investments than would otherwise have been the case had the Funds not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions, and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the cost of borrowing such funds. In the event of a sudden, precipitous drop in value of the Funds' assets, the Funds might not be able to liquidate assets quickly enough to repay its borrowings, further magnifying its losses.

In an unsettled credit environment, the Adviser may find it difficult or impossible to obtain leverage for the Funds. In such event, the Funds could find it difficult to implement its strategy. In addition, any leverage obtained, if terminated on short notice by the lender, could result in the Adviser being forced to unwind positions quickly and at prices below what the Adviser deems to be fair value for such positions.

*Short Sales.* Short sales can, in certain circumstances, substantially increase the impact of adverse price movements on the Funds' portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There can be no assurance that securities necessary to cover a short position will be available for purchase.

*Hedging Transactions.* The Funds may utilize a variety of financial instruments such as derivatives, options, swaps, caps and floors, forward contracts for both risk management and general investment and speculation purposes. With respect to the Funds' risk management and hedging transactions, there can be no assurances that a particular hedge is appropriate, or that a certain risk is measured properly. Further, while the Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for the Funds than if they did not engage in any such hedging transactions. In addition, the Funds may choose not to enter into hedging transactions with respect to some or all of their positions.

*Interest Rate Risk.* The Funds are subject to interest rate risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of fixed income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed income securities tends to increase. This risk will be greater for long-term securities than for short-term securities. The Funds may attempt to minimize the exposure of the portfolios to interest rate changes through the use of interest rate swaps, interest rate futures and/or interest rate options. However, there can be no guarantee that the Adviser will be successful in fully mitigating the impact of interest rate changes on the portfolios.

*Non-U.S. Securities.* The Funds may invest in foreign securities. Investing in securities of foreign governments and companies that are generally denominated in foreign currencies and utilization of options involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the U.S. government or U.S. companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the United States, higher transaction costs, foreign government restrictions, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

*Lack of Diversification.* Although the Funds have no investment restrictions with respect to types of securities, countries or industry sectors, the Funds' portfolio may not be as diversified as other investment vehicles. Accordingly, the portfolio may be subject to more rapid change in value than would be the case if the Funds were required to maintain a wide diversification.

*Portfolio Turnover.* The investment strategy of the Funds may require the Adviser to actively trade the portfolio, and as a result, turnover and brokerage commission expenses of the Funds may significantly exceed those of other investment entities of comparable size.

*Counterparty Risk.* To the extent that the Funds invest in swaps, "synthetic" or derivative instruments, repurchase agreements, forward contracts, certain types of options or other customized financial instruments, or, in certain circumstances, non-U.S. securities, the Funds take the risk of non-performance by the other party to the contract. This risk may include credit risk of the counterparty and the risk of settlement default. This risk may differ materially from those entailed in exchange-traded transactions



that generally are supported by guarantees of clearing organizations, daily mark-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

*No Operating History.* The Adviser, its affiliates and the Funds are all newly formed entities and have no operating history upon which Investors can evaluate likely performance. Accordingly, an investment in the Funds entails a significant degree of risk.

*Reliance on the Managing Member.* The Funds rely heavily on the services of the Managing Member, Ari Benjamin. Mr. Benjamin is responsible for all of the major decisions affecting the Funds. Should Mr. Benjamin determine to discontinue managing the affairs of, or withdraw from, the Adviser, or should Mr. Benjamin die, be incapacitated or, for some other reason, be unable to effectively manage the affairs of the Adviser, the business and results of the operations of the Funds may be adversely affected.

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**Item 9. Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to an Investor's evaluation of the Adviser or the integrity of the Adviser's management. The Adviser has no disclosures to make in this regard about any of its management persons, employees or the Firm itself.

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**Item 10. Other Financial Industry Activities and Affiliations**

**A. Broker-Dealer Registration or Affiliation.** Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

**B. Commodity Exchange Act Registration or Exemption.** The Adviser and its management persons are not registered as, and do not have any application to register as, futures commission merchants, commodity pool operators, commodity trading advisors, or associated persons of the foregoing entities.

**C. Material Relationships or Arrangements.** Except for AidennLair Capital LLC, which is the general partner entity that acts as a sponsor of the Onshore Feeder Fund and the Master Fund, the Adviser and its management persons have no relationships or arrangements with advisory affiliates or persons under common control with the Adviser that are material to its advisory business, its Clients or its Investors. The Adviser does not believe that this structure creates a conflict of interest to Clients or Investors.

**D. Recommendations of Other Advisers to Clients.** The Adviser does not recommend or select other investment advisers for its Clients.

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**Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*****A. Code of Ethics.***

The Adviser has adopted a Code of Ethics (the “Code”) under Rule 204A-1 of the Investment Advisers Act that obligates the Adviser and its related persons to comply with applicable federal securities laws, put the interests of the Adviser’s Clients before their own interests and to act honestly and fairly in all respects in their dealings with Clients. Investors may obtain a copy of the Code by contacting the Chief Compliance Officer (“CCO”) by email at [kelly.ireland@aidennlair.com](mailto:kelly.ireland@aidennlair.com), or by telephone at 212 218-2890.

Pursuant to the Code of Ethics, employees are prohibited from transacting in any of the following types of personal securities transactions:

1. Transacting in single name equity securities and options on equity securities; and
2. Transacting in “covered securities” that the Firm is evaluating for a transaction in a Fund or Separately Managed Account; and
3. Transacting in any “covered security” if the issuer is named on the Firm’s restricted list.

In addition, all transactions in “covered securities” (if not prohibited), require pre-clearance by the CCO. The term “covered securities” is specifically defined in the Code of Ethics and generally includes all debt and equity securities, as well as options, futures and commodities, with certain limited exceptions pursuant to SEC rules and regulations.

In addition, the Adviser has adopted in its Compliance Manual policies and procedures regarding the possession of material nonpublic information about issuers of securities that the Adviser may have invested in or which the Adviser is researching for a possible investment. The Adviser and any of its related persons are prohibited from improperly disclosing or using such information for their own benefit or for the benefit of any other person, regardless of whether such other person is a Client.

***B. Investing in Securities where Adviser has a Material Financial Interest.***

Neither the Adviser nor any of its related persons recommend to the Funds or the Separately Managed Accounts, or buy or sell for the Funds or the Separately Managed Accounts, securities in which the Adviser has a material financial interest.

Please note however, that principals of the Adviser as well as other key employees of the Adviser may maintain substantial investments in the Funds, so in this regard, the Adviser may in fact be recommending securities in which it does have a material financial interest.

It is the Adviser’s policy that neither the Adviser nor any of its related persons buys or sells securities to or from the Funds or the Separately Managed Accounts as principal (a “principal transaction”). However, to the extent that internal cross trading (as discussed in Item 12(B)) may in the future be viewed as principal transactions due to the ownership interest in a Client account by the Adviser or its affiliates or personnel, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act in connection with principal transactions. All principal transactions are subject to the prior approval of the CCO and will be reviewed by the BACC at its regular quarterly meeting.

Except for the Master Fund, which acts as the investing entity for its Feeder Funds, neither the Adviser nor any of its related persons act as a general partner or investment manager in a Fund in which other Funds are solicited to invest. Neither the Adviser nor any of its related persons act as an investment adviser to an investment company that it recommends to the Funds or the Separately Managed Accounts.

***C. Investing in Securities Recommended to Clients; Contemporaneous Trading.***

The Adviser has no proprietary trading accounts and therefore would not invest in the same (or related) securities that the Funds or Separately Managed Accounts are invested in.

It is theoretically possible that an employee of the Adviser may hold the same security that a Client holds in two scenarios: (i) the employee holds the same security that the Client subsequently buys for its portfolio, and/or (ii) the employee holds a non-single name security (such as an ETF or index fund) that the Client also holds in its portfolio. In either case, the employee must be granted permission to sell such a security from their personal account by the CCO, who would make a determination at that time as to whether the employee's sale of such security could adversely affect Clients.

The Adviser has adopted the procedures in the Code of Ethics described above to address potential conflicts of interest arising from personal account trading (such as front-running or personal trading having an effect on price of a security).

The Code of Ethics is designed to ensure that the personal securities transactions, activities and interests of the employees of the Adviser will not interfere with making decisions in the best interest of advisory Clients. Employee trading is monitored every quarter by the CCO to ensure compliance with the Code of Ethics.

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**Item 12. Brokerage Practices*****A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions.***

The Adviser considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include net price, reputation, financial strength and stability, efficiency of execution and error resolution, offering to the Adviser on-line access to computerized data regarding a Client's accounts. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, the Adviser need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the Adviser's practice to negotiate "execution only" commission rates, thus a Client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. The BACC meets periodically to evaluate the broker-dealers used by the Adviser to execute Client trades using the foregoing factors.

***1. Research and Other Soft Dollar Benefits.***

The Adviser receives research or other products or services other than execution from broker-dealers and/or third parties in connection with Client securities transactions. This is known as a "soft dollar" relationship. The Adviser will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

The BACC meets regularly to review and evaluate its soft dollar practices and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific transaction or the Adviser's overall responsibilities to the accounts over which the Adviser exercises investment discretion.

The use of Client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, the Adviser will not have to pay for the products and services itself. This creates an incentive for the Adviser to select or recommend a broker-dealer based on its interest in receiving those products and services.

The Adviser may cause Clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), resulting in higher transaction costs for Clients.

Research and brokerage services obtained by the use of commissions arising from a Client's portfolio transactions may be used by the Adviser in its other investment activities, including, for the benefit of other Client accounts. The Adviser does not seek to allocate soft dollar benefits to Client accounts proportionately to the soft dollar credits the accounts generate.

As the Adviser is newly formed, the Adviser has not yet utilized research and brokerage services obtained by the use of commissions arising from a client's portfolio transactions. In some instances, the Adviser may obtain a product or service that is used, in part, by the Adviser for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, the Adviser will make a good faith effort to determine the relative proportion of the product or service used to assist the Adviser in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be based on the actual use of the product or service by the Adviser's personnel. The proportion of the product or service attributable to assisting the Adviser in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by Client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by the Adviser from its own resources. The determination of the appropriate allocation of "mixed use" products and services creates a potential conflict of interest between the Adviser and Clients and is monitored by the BACC.

Research and brokerage services obtained by the use of commissions arising from the portfolio transactions may be used by the Adviser in its other investment activities and thus, Clients may not necessarily, in any particular instance, be the direct or indirect beneficiary of the research or brokerage services provided.

## ***2. Brokerage for Client Referrals.***

From time to time the Adviser may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers. The Adviser may have an incentive to select or recommend a broker-dealer based on its interests to receive Investor referrals rather than on the Client's interests to receive most favorable execution. The Adviser, however, will only place Client portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities if the Adviser determines that it is otherwise consistent with seeking best execution. In no event will the Adviser select a broker-dealer as a means of remuneration for recommending the Adviser or any other product managed by the Adviser (or an affiliate) or affording the Adviser with the opportunity to participate in capital introduction programs.

## ***B. Order Aggregation, Trade Allocation and Cross Trading.***

Consistent with the Adviser's duty to seek best execution, and to the extent practicable and permitted by applicable law, the Adviser may seek to aggregate orders that are placed for more than one Client throughout a trading day. Such aggregation may enable the Adviser to obtain for Clients a more favorable price or a better commission rate based upon the volume of a particular transaction. If the order is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. As a result, certain trades in the same security for one Client may receive more or less favorable prices or terms than another Client, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices at the time of the order or trade. In addition, some opportunities for reduced transaction costs and economies of scale may not be achieved.

Allocation of trades amongst all Clients for which the purchase or sale of any particular security might be appropriate will be made by the Adviser in a fair and reasonable manner in light of all relevant investment considerations. In general, except as may be otherwise stated in a Client's offering documents or investment agreement, purchases and sales that are deemed appropriate for two or more Clients will be allocated amongst those Clients pro rata in accordance with relative net assets under management (subject to rounding). Exceptions to a pro-rata allocation may apply when factors such as differing liquidity, leverage, cash availability, risk parameters, security type, tax considerations, investment guidelines or other portfolio considerations across multiple Clients support a determination that a non-pro-rata allocation of a particular investment is in the best interests of all Clients.

The Adviser will have no obligation to purchase or sell a security for, enter into a transaction on behalf of, or provide an investment opportunity to, a Client solely because the Adviser purchases or sells the same security for, enters into a transaction on behalf of, or provides an opportunity to, another Client if, in its reasonable opinion, such security, transaction or investment opportunity does not appear to be suitable, practicable or desirable for a particular Client. In particular, when a Client is ramping up its investment or trading strategies, it may receive larger allocations of certain securities than other Clients in order to obtain its desired risk and portfolio size.

Except for rebalancing of positions between the Offshore Feeder Fund and the Onshore Feeder Fund, the Adviser does not engage in cross-trading between Client accounts.

At its regular quarterly meeting, the BACC will review rebalancing, trade allocations and aggregated trades for the prior quarter in order to monitor the effectiveness of the Adviser's processes.



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**Item 13. Review of Accounts*****A. Frequency and Nature of Review.***

The portfolio manager of the Adviser evaluates the portfolios of the Funds and Separately Managed Accounts on a real-time basis. These accounts are actively managed by the portfolio manager through daily position sizing evaluations, liquidity reviews, hedging adjustments and overall maintenance of the stated portfolio parameters as set forth in the Offering Memoranda or investment advisory agreement (as applicable). A periodic BACC meeting is held to provide oversight over trading for the Funds and the Separately Managed Accounts.

***B. Factors Prompting a Non-Periodic Review of Accounts.***

The Funds and the Separately Managed Accounts are actively managed and are reviewed regularly throughout the trading day.

***C. Content and Frequency of Regular Account Reports.***

*Reports Provided to Investors in the Funds* – (i) audited financial statements within approximately one hundred twenty (120) days after the end of each fiscal year, (ii) information necessary for the preparation of a tax return, (iii) monthly unaudited reports of the performance of the Funds, Although the Adviser will use its best efforts to provide timely tax information to Investors, it is possible that it may be late in providing tax information, and Investors should be prepared to file for extensions with the relevant Federal and State taxing authorities.

The Adviser may from time-to-time enter into letter agreement or other similar agreements (collectively, “Side Letters”) with one or more Investors which may provide an Investor with additional and/or different rights than other Investors would have pursuant to the general terms of a Fund. The Adviser will not be required to notify any or all of the other Investors of any such written agreements or any of the rights and/or terms or provisions thereof, nor will the Adviser be required to offer such additional and/or different rights and/or terms to any or all of the other Investors. The terms of the Side Letter may include, without limitation, additional or modified reporting obligations by the Adviser or the Fund.

In addition, Investors may from time-to-time request additional information related to a Fund and its investment activities. The Adviser evaluates each such request individually and may not provide information in response to all such requests. Any such additional information that is provided in response to such a request may not be provided to all Investors.

*Reports Provided to Separately Managed Account Investors* – Separately Managed Account Investors receive the information as agreed upon in their agreement with the Adviser.

All reports described above are written (although some may be delivered electronically).

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**Item 14. Client Referrals and Other Compensation*****A. Economic Benefits Received from Non-Clients for Providing Services to Clients.***

The Adviser has no arrangements whereby a party who is not a Client compensates or otherwise provides an economic benefit to the Adviser for providing services to Clients.

***B. Compensation to Non-Supervised Persons for Client Referrals.***

The Adviser has not retained any third-party placement agents for referral of Investors to its Funds or to a Separately Managed Account. However, the Adviser may do so in the future, with compensation paid to such agents at an agreed-upon rate.

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**Item 15. Custody**

The Adviser and its affiliates do not have physical custody of any Client securities or cash, which are held by qualified custodians pursuant to the Custody Rule under the Investment Advisers Act, Rule 206(4)-2. However under the Custody Rule, the Adviser or its affiliates are deemed to have custody of the Funds. In order to comply with the Custody Rule, each Fund undergoes an annual audit performed by an independent public accounting firm registered by the Public Company Accounting Oversight Board, and distributes its audited financial statements to Investors annually as required under the rule.

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**Item 16. Investment Discretion**

The Adviser provides investment advisory services on a discretionary basis to Clients. Please see Item 4 for a description of any limitations Clients may place on the Adviser's discretionary authority.

Prior to assuming full discretion in managing a Client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion.

*For the Funds:* The Adviser has the authority to determine (i) the securities to be purchased and sold for the Fund's portfolio (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines), and (ii) the amount of securities to be purchased or sold for the Fund.

The Fund's offering memorandum, subscription document, limited liability company or limited partnership agreement, investment management agreement and related agreements provide the general scope of the authority.

*For Separately Managed Account:* The Adviser has discretionary authority from the outset of its advisory relationship to select the identity and amount of securities to be bought or sold for a Separately Managed Account. In all cases, however, such discretion is exercised by the Adviser in a manner consistent with the stated investment objectives and guidelines for the particular account, as these are set forth in the investment management agreement. Investors have no ability to request or direct a change in the stated investment objectives and guidelines for a Separately Managed Account without an amendment to the investment management agreement.

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**Item 17. Voting Client Securities*****A. Policies and Procedures Relating to Authority to Vote Client Securities.***

The Adviser has authority to vote proxies on behalf of its Clients, and complies with proxy voting policies and procedures that are designed to ensure that in such proxies are voted in the best interests of the Clients, as determined by the Adviser in its discretion. The Adviser determines its vote on a case-by-case basis for each proxy. In general, the Adviser will consider the following relevant factors with respect to a proposal, including: (i) the impact on the value of the securities; (ii) the anticipated costs and benefits associated with the proposal; (iii) the effect on liquidity and (iv) customary industry and business practices. In limited circumstances, the Adviser may refrain from voting a particular proxy if it is deemed to be in the best interests of the Client.

The Adviser's Clients are not permitted to direct their votes in a particular solicitation except in cases where a Separately Managed Account has specific provisions in its constituent documents permitting such direction.

All employees have a duty to report any potential conflict of interest of which they become aware regarding voting on behalf of Clients. The Adviser will consider all potential conflicts of interest brought to its attention, or otherwise coming to its attention, and will determine whether there exists a material conflict of interest with respect to the vote in question. A conflict of interest will be considered material to the extent that it is determined that such conflict has the potential to influence the Adviser's decision-making regarding the vote. Where it is deemed that a material conflict of interest does not exist, the Adviser may cast such vote, subject to the duty to act solely in the best interest of the beneficial owners of accounts holding the securities that are being voted. Where it is determined that a material conflict of interest does exist, the Adviser shall take one of the following courses or action: (a) delegate the voting decision to an independent third party; or (b) inform the Client of the conflict of interest and obtain advance consent of a majority of such Investors for a particular voting decision; or c) not vote.

Clients may obtain a copy of the Adviser's proxy voting policies and procedures and information about how the Adviser voted a Client's proxies by contacting the CCO by email at [kelly.ireland@aidennlair.com](mailto:kelly.ireland@aidennlair.com) or by telephone at 212-218-2890.

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**Item 18. Financial Information**

Registered investment advisers are required in this Item to provide Investors with certain financial information or disclosures about the Adviser's financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.